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中國太平洋保險（集團）股份有限公司

CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02601)

2010 First Quarter Report

This announcement is made by China Pacific Insurance (Group) Co., Ltd. (the "Company") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial data of the Company for the first quarter of 2010 are unaudited and have been prepared in accordance with the PRC Accounting Standards for Business Enterprises.

§I Important Information

1.1 1. The board of directors, the board of supervisors of the Company, the Directors, Supervisors and senior management warrant that there are no false representations and misleading statements contained herein or material omissions and severally and jointly accept responsibility for the truthfulness, accuracy and completeness of its contents.

1.2 The 2010 first quarter report of the Company was considered and approved at the 13th session of the 5th board of directors on 29 April 2010, which was held through written communication and voting, and which 13 directors were required to vote and 13 of them voted in person.

1.3 The financial data of the Company for the first quarter of 2010 are unaudited and have been prepared in accordance with the PRC Accounting Standards for Business Enterprises.

1.4 According to the "Standard for Accounting Treatment for Insurance Contracts" (Caikuai (2009) No. 15) and the "Circular on Insurance Industry's Implementation of Interpretation No. 2 to New China Accounting Standards" (Baojianfa (2010) No. 6) issued by the Ministry of Finance of the PRC and by China Insurance Regulatory Commission in December 2009 and January 2010

respectively, the Company changed its relevant principal accounting policies in 2009 and applied retrospective adjustment where possible. Such changes in accounting policies were considered and approved at the 12th session of the 5th board of directors on 16 April 2010. The comparative figures for the first quarter of 2009 of the Company were restated accordingly and were unaudited.

1.5 Mr. GAO Guofu (Chairman of the Board), Mr. NGO Tai Chuan Alan (Chief Financial Officer), Ms. CHI Xiaolei (Chief Actuary) and Ms. WANG Ying (Deputy Chief Financial Officer) warrant the truthfulness and completeness of the financial statements contained in this quarter report.

§II Corporate Information

2.1 Key Accounting Data and Financial Indicators

in RMB million

	31 March 2010	31 December 2009	Increase(decrease) compared to 31 December 2009 (%)
Total assets	421,400	397,187	6.1
Equity ^{Note}	79,000	74,651	5.8
Net assets per share (RMB) ^{Note}	9.19	8.80	4.4
	For the three months ended 31 March 2010		Increase(decrease) compared to 31 December 2009 (%)
Net cash inflow from operating activities	21,920		114.3
Net cash inflow per share from operating activities (RMB)	2.55		91.7
	For the three months ended 31 March 2010		Increase(decrease) compared to 31 December 2009 (%)
Net profit ^{Note}	2,813		192.1
Basic earnings per share(RMB) ^{Note}	0.33		153.8
Basic earnings per share after deducting non-recurring items (RMB) ^{Note}	0.33		175.0
Diluted earnings per share ^{Note}	N/A		N/A
Weighted average return on equity (%) ^{Note}	3.64		Increased by 1.71 percentage points
Weighted average return on equity after deducting non-recurring items (%) ^{Note}	3.63		Increased by 1.72 percentage points

Note: Attributable to equity holders of the parent

2.2 Non-recurring items and amount

in RMB million

Non-recurring items	For the three months ended 31 March 2010
Gains/(losses) on disposal of non-current assets	13
Net non-operating income and expenses other than those mentioned above	(1)
Effect of income tax	(4)
Effect of minority interests (after tax)	-
Total	8

2.3 Total number of shareholders and shares held by top ten shareholders without selling restrictions at the end of the reporting period

Unit: share

Total number of shareholders at the end of the reporting period: 218,765 shareholders (including 201,948 A shareholders and 9,617 H shareholders)		
Shares held by top ten shareholders of tradable shares without selling restrictions		
Names of shareholders (full name)	Number of tradable shares held without selling restrictions at the end of the period	Types of shares
Parallel Investors Holdings Limited ^{note}	1,043,896,502	H shares
HKSCC Nominees Limited	986,277,800	H shares
Carlyle Holdings Mauritius Limited ^{note}	279,403,498	H shares
Shanghai Jiushi Corporation	250,013,460	A shares
Yunan Hongta Group Co., Ltd.	174,339,390	A shares
Industrial & Commercial Bank of China – Shanghai Index 50 Trading Open-end Index Securities Investment Fund	34,171,087	A shares
Industrial & Commercial Bank of China – Lion Equity Securities Investment Fund	31,668,296	A shares
Sinopec Finance Company Limited	30,000,000	A shares
CNPC Liaohe Petroleum	29,360,641	A shares
China Construction Bank – Bank of Communications & Schroders Stable, Deploying Composite Securities Investment Fund	25,499,881	A shares

Note: As for the overseas listed foreign shares (H shares) of the Company, Parallel Investors Holdings Limited and Carlyle Holdings Mauritius Limited undertook in writing that they would not transfer 1,323,300,000 H shares they hold in total in the Company within one year from the H Share listing date, i.e. 23 December 2009 (inclusive).

§III Significant Events

3.1 Significant changes of key financial statements items and financial indicators and reasons for such changes:

√ Applicable Not applicable

in RMB million

Balance sheet items	31 March	31 December	Increase (decrease) compared to 31 December 2009 (%)	Main reasons for the changes
	2010	2009		
Held-for-trading financial assets	621	333	86.5	Increase in the volume of this kind of investment assets
Financial assets purchased under agreements to resell	14	115	(87.8)	Timing difference
Premium receivables	3,484	2,227	56.4	Growth in insurance business and timing difference
Unearned premium reserves receivable from re-insurers	3,430	2,598	32.0	Growth in insurance business and timing difference
Life insurance reserves receivable from re-insurers	907	669	35.6	Growth in insurance business and timing difference
Deferred tax assets	1,208	839	44.0	Increase in temporary differences of deductible taxable incomes
Other assets	3,203	2,049	56.3	Timing difference
Financial assets sold under agreements to repurchase	4,380	9,800	(55.3)	Timing difference
Premium received in advance	1,982	4,269	(53.6)	Timing difference
Handling charges and commission payable	1,672	1,163	43.8	Growth in insurance business and timing difference
Amount due to re-insurers	3,948	2,208	78.8	Growth in insurance business and timing difference
Taxes payable	1,384	620	123.2	Increase in taxable incomes
Other liabilities	2,355	4,230	(44.3)	The payables to social benefit fund for reducing state shareholding at the end of Year 2009 was paid

Income statement items	For the three months ended	For the three months ended	Increase (decrease) compared to 31 December 2009 (%)	Main reasons for the changes
	31 March 2010	31 March 2009		
		(As Restated)		
Premium income	42,357	26,772	58.2	Growth in insurance business
Premiums ceded to reinsurers	(4,121)	(2,766)	49.0	Growth in insurance business
Provision for unearned premium reserves	(3,350)	(1,536)	118.1	Growth in insurance business
Investment income	5,322	3,236	64.5	Increase in the volume and investment yield
Gain from changes in fair value	7	132	(94.7)	Flux of equity investment market
Foreign exchange losses	(29)	(1)	2,800.0	Increase in foreign currency balance due to H share listing proceeds
Provision for insurance contract reserves	(21,427)	(10,303)	108.0	Growth in insurance business
Re-insurers' share of insurance contract reserves	831	352	136.1	Growth in insurance business
Business tax and surcharges	(819)	(576)	42.2	Growth in insurance business
Interest expense	(99)	(63)	57.1	Increase in interest expenses of securities sold under agreements to repurchase and uncollected policyholder dividend
Impairment losses	(48)	(151)	(68.2)	Impairment of investment assets was applied in the same period of last year

3.2 Progress of major events and their impacts and solutions

Applicable Not applicable

3.3 The fulfillment of the undertakings made by the Company, the shareholders and the de facto controllers

Applicable Not applicable

3.4 Cautionary statements for the forecast loss in accumulated net profit from the beginning of the year to the end of the next reporting period or the occurrence of substantial change as compared to the same period of last year and their reasons

Applicable Not applicable

3.5 Implementation of cash distribution policy during the reporting period

Applicable Not applicable

By Order of the Board
China Pacific Insurance (Group) Co., Ltd.
Gao Guofu
Chairman

Shanghai, China, 30 April 2010

As of the date of this announcement, the executive Directors of the Company are Mr. GAO Guofu and Mr. HUO Lianhong; the non-executive Directors of the Company are Mr. YANG Xianghai, Mr. ZHOU Ciming, Mr. HUANG Kongwei, Mr. XU Hulie, Mr. YANG Xiangdong and Ms. FENG Junyuan, Janine; and the independent non-executive Directors of the Company are Mr. XU Shanda, Mr. CHANG Tso Tung Stephen, Mr. LI Ruoshan, Mr. YUEN Tin Fan and Mr. XIAO Wei.

§4 APPENDIX

4.1

CONSOLIDATED BALANCE SHEET

31 March 2010

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million (unaudited)

ITEM	31 March 2010	31 December 2009
ASSETS		
Cash on hand and at bank	29,720	30,123
Held-for-trading financial assets	621	333
Financial assets purchased under agreements to resell	14	115
Premium receivables	3,484	2,227
Receivable from re-insurers	1,948	1,637
Interest receivables	7,887	6,679
Unearned premium reserves receivable from re-insurers	3,430	2,598
Claim reserves receivable from re-insurers	3,161	2,845
Life insurance reserves receivable from re-insurers	907	669
Long-term health insurance reserves receivable from re-insurers	3,263	3,035
Policy loans	1,501	1,352
Term deposits	91,312	86,371
Available-for-sale financial assets	116,389	118,475
Held-to-maturity investments	119,851	104,618
Loans and receivables	22,230	22,199
Long-term equity investments	443	464
Statutory deposits	2,272	1,968
Fixed assets	4,936	4,703
Construction in progress	2,916	3,155
Intangible assets	555	584
Goodwill	149	149
Deferred tax assets	1,208	839
Other assets	3,203	2,049
Total assets	421,400	397,187

CONSOLIDATED BALANCE SHEET

31 March 2010

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million (unaudited)

ITEM	31 March 2010	31 December 2009
LIABILITIES AND SHAREHOLDERS' EQUITY		
Financial assets sold under agreements to repurchase	4,380	9,800
Premium received in advance	1,982	4,269
Handling charges and commission payable	1,672	1,163
Amount due to re-insurers	3,948	2,208
Salary and staff welfare payable	1,144	1,414
Taxes payable	1,384	620
Interest payable	2	6
Claims payable	2,134	1,902
Policyholder dividends payable	5,204	5,113
Policyholder deposits and investments	53,285	52,179
Unearned premium reserves	19,994	15,863
Claim reserves	12,375	11,479
Life insurance reserves	221,017	201,249
Long-term health insurance reserves	8,031	7,561
Subordinated debt payable	2,282	2,263
Deferred tax liabilities	155	195
Other liabilities	2,355	4,230
Total liabilities	341,344	321,514
Share capital	8,600	8,483
Capital reserves	58,667	57,247
Surplus reserve	1,395	1,395
Retained earnings	10,365	7,552
Foreign currency translation reserve	(27)	(26)
Equity attributable to equity holders of the parent	79,000	74,651
Minority interests	1,056	1,022
Total shareholders' equity	80,056	75,673
Total liabilities and shareholders' equity	421,400	397,187

Gao GuofuLegal Representative
of the Company**Ngo Tai Chuan Alan**Person in charge of
Accounting Affairs**Wang Ying**Head of Finance
Department

BALANCE SHEET

31 March 2010

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million (unaudited)

ITEM	31 March 2010	31 December 2009
ASSETS		
Cash on hand and at bank	14,858	21,043
Held-for-trading financial assets	112	32
Interest receivables	255	133
Term deposits	8,528	6,528
Available-for-sale financial assets	10,373	5,388
Held-to-maturity investments	1,686	1,359
Loans and receivables	1,200	1,199
Long-term equity investments	33,492	33,501
Investment property	185	187
Fixed assets	419	437
Construction in progress	2,320	2,319
Intangible assets	208	212
Deferred tax assets	637	682
Other assets	1,034	1,031
Total assets	75,307	74,051
LIABILITIES AND SHAREHOLDERS' EQUITY		
Financial assets sold under agreements to repurchase	460	150
Salary and welfare payable	140	161
Taxes payable	33	69
Other liabilities	1,106	3,041
Total liabilities	1,739	3,421
Share capital	8,600	8,483
Capital reserves	58,361	55,634
Surplus reserves	1,091	1,091
Retained earnings	5,516	5,422
Total shareholders' equity	73,568	70,630
Total liabilities and shareholders' equity	75,307	74,051

Gao Guofu
Legal Representative
of the Company

Ngo Tai Chuan Alan
Person in charge of
Accounting Affairs

Wang Ying
Head of Finance
Department

4.2

CONSOLIDATED INCOME STATEMENT

For the three months ended 31 March 2010

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million (unaudited)

ITEM	For the three months ended 31 March 2010	For the three months ended 31 March 2009 (As Restated)
Operating income	40,397	26,061
Earned premium	34,886	22,470
Premium income	42,357	26,772
Including: Premium income assumed-in	12	16
Less: Premium ceded to re-insurers	(4,121)	(2,766)
Provision for unearned premium reserves	(3,350)	(1,536)
Investment income	5,322	3,236
Including: investment income from associates	(44)	(39)
Gain from changes in fair value	7	132
Foreign exchange losses	(29)	(1)
Other operating income	211	224
Operating expense	(36,816)	(24,741)
Surrenders	(1,003)	(1,096)
Claims paid	(8,145)	(8,091)
Less: Re-insurers' share of claims	1,030	1,057
Provision for insurance contract reserves	(21,427)	(10,303)
Less: Re-insurers' share of insurance contract reserves	831	352
Policyholder dividends	(450)	(434)
Reinsurance expenses	(3)	(5)
Business tax and surcharges	(819)	(576)
Insurance related handling charges and commission	(3,102)	(2,478)
General and administrative expenses	(3,989)	(3,173)
Less: Re-insurers' share of expense	1,134	932
Interest expense	(99)	(63)
Other operating expenses	(726)	(712)
Impairment losses	(48)	(151)
Operating profit	3,581	1,320
Add: Non-operating income	23	18
Less: Non-operating expense	(11)	(3)
Profit before tax	3,593	1,335
Less: Income tax expense	(738)	(357)
Net Profit	2,855	978
Attributable to shareholders of the parent	2,813	963
Minority interests	42	15
Earnings per share		
(1) Basic earnings per share	0.33	0.13
(2) Diluted earnings per share	N/A	N/A
Other comprehensive income/(loss)	(1,297)	1,782
Total comprehensive income	1,558	2,760
Attributable to shareholders of the parent	1,540	2,714
Minority interests	18	46

Gao Guofu
Legal Representative
of the Company

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Person in charge of
Accounting Affairs

Wang Ying
Head of Finance
Department

INCOME STATEMENT

For the three months ended 31 March 2010

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million (unaudited)

ITEM	For the three months ended 31 March 2010	For the three months ended 31 March 2009 (As Restated)
Operating income	216	195
Investment income	181	171
Including: Premium income assumed-in	(44)	(39)
Losses from changes in fair value	-	(1)
Foreign exchange losses	(27)	-
Other operating income	62	25
Operating expense	(82)	(86)
Business tax and surcharges	(4)	(1)
General and administrative expenses	(74)	(85)
Interest expense	(4)	-
Operating profit	134	109
Profit before tax	134	109
Less: Income tax expense	(40)	(38)
Net Profit	94	71
Other comprehensive income/(loss)	39	(28)
Total comprehensive income	133	43

Gao Guofu
Legal Representative
of the Company

Ngo Tai Chuan Alan
Person in charge of
Accounting Affairs

Wang Ying
Head of Finance
Department

4.3

CONSOLIDATED CASH FLOW STATEMENT

For the three months ended 31 March 2010

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million (unaudited)

ITEM	For the three months ended 31 March 2010	For the three months ended 31 March 2009 (As Restated)
(I) Cash flows from operating activities		
Premiums received from insurance contracts	38,755	24,165
Net cash received from reinsurance business	-	319
Net increase in policyholder deposits and investments	498	176
Cash received from other operating activities	294	529
Sub-total of cash inflows from operating activities	39,547	25,189
Claims paid for insurance contracts	(7,934)	(8,020)
Net cash paid for reinsurance business	(552)	-
Handling charges and commission paid	(2,595)	(2,003)
Policyholder dividends paid	(316)	(308)
Cash paid to and for employees	(1,905)	(1,387)
Cash paid for taxes and respective surcharges	(1,152)	(252)
Cash paid for other operating activities	(3,173)	(2,989)
Sub-total of cash outflows from operating activities	(17,627)	(14,959)
Net cash flows from operating activities	21,920	10,230
(II) Cash flows from investing activities		
Cash received from sales and redemption of investments	25,149	31,546
Cash received from investment returns	2,918	2,316
Net cash received from disposals of fixed assets, intangible assets and other long-term assets	13	3
Cash flows from other investing activities	330	2
Sub-total of cash inflows from investing activities	28,410	33,867
Cash paid for acquisition of investments	(45,231)	(51,881)
Net increase in Policy loans	(150)	(111)
Net cash paid for investment in associates, jointly controlled companies and other long-term equity investment	(512)	(131)
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	(330)	-
Sub-total of cash outflows from investing activities	(46,223)	(52,123)
Net cash flows from investing activities	(17,813)	(18,256)
(III) Cash flows from financing activities		
Cash received from capital contribution	2,817	-
Cash received from other financing activities	319	12,308
Sub-total of cash inflows from financing activities	3,136	12,308
Cash paid for distribution of dividends and interests	(43)	(20)
Cash paid for other financing activities	(7,675)	-
Sub-total of cash outflows from financing activities	(7,718)	(20)
Net cash flows from financing activities	(4,582)	12,288
(IV) Effect of changes in foreign exchange rate on cash and cash equivalents	(29)	-
(V) Net (decrease)/ increase in cash and cash equivalents	(504)	4,262
Add: Cash and cash equivalents at beginning of the period	30,238	17,573
(VI) Cash and cash equivalents at end of the period	29,734	21,835

Gao Guofu
Legal Representative
of the Company

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Wang Ying
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Department

CASH FLOW STATEMENT

For the three months ended 31 March 2010

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million (unaudited)

ITEM	For the three months ended 31 March 2010	For the three months ended 31 March 2009
(I) Cash flows from operating activities		
Cash received from other operating activities	376	684
Sub-total of cash inflows from operating activities	376	684
Cash paid to and for employees	(59)	(46)
Cash paid for taxes and respective surcharges	(45)	(1)
Cash paid for other operating activities	(58)	(42)
Sub-total of cash outflows from operating activities	(162)	(89)
Net cash flows from operating activities	214	595
(II) Cash flows from investing activities		
Cash received from sales and redemption of investments	236	627
Cash received from investment returns	45	568
Net cash received from disposals of fixed assets, intangible assets and other long-term assets	2	-
Sub-total of cash inflows from investing activities	283	1,195
Cash paid for acquisition of investments	(7,480)	(1,206)
Net cash paid for investment in associates, jointly controlled companies and other long-term equity investment	(11)	-
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	(329)	(20)
Sub-total of cash outflows from investing activities	(7,820)	(1,226)
Net cash flows from investing activities	(7,537)	(31)
(III) Cash flows from financing activities		
Cash received from capital contribution	2,797	-
Cash received from other financing activities	319	-
Sub-total of cash inflows from financing activities	3,116	-
Cash paid for distribution of dividends and interests	(4)	-
Cash paid for other financing activities	(1,945)	-
Sub-total of cash outflows from financing activities	(1,949)	-
Net cash flows from financing activities	1,167	-
(IV) Effect of changes in foreign exchange rate on cash and cash equivalents	(29)	-
(V) Net (decrease)/ increase in cash and cash equivalents	(6,185)	564
Add: Cash and cash equivalents at beginning of the period	21,043	2,538
(VI) Cash and cash equivalents at end of the period	14,858	3,102

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